

NOVEMBER/
DECEMBER 2004

Insight

For
benefits
administrators

Prescription Drug COB update for State Health Plan and MUSC Options[®]

As you know, the State Health Plan (SHP) and MUSC Options will begin coordinating benefits for prescription drug coverage on January 1, 2005. Below is some additional information about how it will work.

If the State Health Plan or MUSC Options is your secondary coverage (you have other health insurance that is primary), the pharmacy will be unable to process your secondary claim at the point of sale. Instead, follow these procedures:

1. Present the card for your primary coverage first. If you present your SHP or MUSC Options card, the claim will be rejected.
2. After the pharmacy processes the claim with your primary insurance coverage, you must file a paper claim through the SHP or MUSC Options for any secondary benefits to be paid. Prescription drug claim forms are available on the EIP Web site at www.eip.sc.gov. Choose your category and then select "Forms." You'll see both the retail and pharmacy mail service/home delivery forms listed.

Since prescription drug COB will primarily affect covered spouses and dependents, make sure you pass on this information to them.

Subscribers asked to check secondary coverage info



Subscribers and dependents covered by more than one health insurance program will receive letters in early December

asking them to confirm coverage information that the Employee Insurance Program has on file.

The letters are part of EIP's effort to coordinate both medical and drug benefits. When a dependent is covered by more than one insurance plan, coordination of benefits (COB) assures that both companies pay their fair share of his benefits.

The customized letters will list the coverage information that has been reported to EIP. If the information is inaccurate or incomplete, subscribers will be able to correct it on the letter and return the letter to EIP. For example, if a dependent no longer has additional coverage, the subscriber can indicate that on the letter. December 23 is the deadline for mailing corrected letters to EIP. If the information is correct, the letters don't have to be returned.

EIP will begin coordinating drug benefits on January 1, 2005. After that, a subscriber should use a Notice of Election form to notify EIP of any gain or loss of health insurance coverage.

A reminder about BLTD, Social Security and Medicare taxes

Each year, participating employers who have had employees out with a Long Term Disability claim during the previous year will receive a **Disability Income Report** from Standard Insurance Company. This report lists the amount of disability benefits paid by Standard Insurance Company to those claimants. This report also includes the total taxes withheld by Standard on those payments during the previous year.

Standard Insurance Company prepares IRS W-2 forms under its Tax ID number for all claimants who receive benefits. Standard then pays those Medicare and FICA taxes. The employer must reimburse Standard for those taxes.

Standard Insurance Company will send the Disability Income Reports for 2004 by January 15, 2005. The reports are sent to the financial or tax reporting personnel at each participating employer. **Your immediate attention to this report and billing is important.**

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Other mailings headed your way

Here is an update on information and publications being mailed to you or directly to subscribers.

Insurance Benefits Guide

The 2005 *Insurance Benefits Guide* has been printed. Copies are being mailed to you for distribution to your employees. School districts, colleges and universities should receive their copies by December 17; other employers should receive theirs by then or shortly thereafter. Please distribute them to your employees. Copies will be mailed directly to retirees, survivors and COBRA subscribers, who should receive them by December 31.

A Web version of the *Guide* has been posted on the Employee Insurance Program's Web site at www.eip.sc.gov. Choose your category and then select "Publications" from the list. You'll see the 2005 Guide.

SHP Provider Directory

The 2005 *State Health Plan Provider Directory* is being printed. You should receive them later in December. Copies are limited. Please distribute them only to those employees who are enrolled in the State Health Plan Standard Plan or Savings Plan. Copies will be mailed directly to retirees, survivors and COBRA

subscribers. They should receive them by December 31.

Remember: The most up-to-date provider information is always available online at www.southcarolinablues.com. From the BlueCross Blue Shield of South Carolina's home page, select the appropriate link under "Find a Doctor or Other Healthcare Provider."

Health Savings Account

Those eligible who enrolled in the MoneyPlu\$ Health Savings Account will be receiving their enrollment packets in the mail. They should complete the requested information and return it as soon as possible to the National Bank of South Carolina (NBSC), an affiliate of Synovus Financial, so their accounts can be processed and opened before the first payroll deduction is made.

SHP Prescription Drug Program

Medco, administrator for the State Health Plan Prescription Drug Program, will be mailing welcome packets to Savings Plan subscribers later this month. The packet will include a letter, health information form and brochure. Standard Plan subscribers, who are currently ordering prescription drugs through

Medco's mail-service, will receive a letter reminding them of the increase in mail-service copayments for 2005. Please remind SHP subscribers that they can also call Medco at 800-711-3450 to get drug prices or answers to any questions about the prescription drug coverage.

Notes about HSAs

Health Savings Account (HSA) administration

Only the HSA deduction will be transmitted to FBMC through payroll. The new deduction code on the payroll files for the Health Savings Account is 460. Please remember to notify FBMC when you send the first 2005 MoneyPlu\$ payroll file in the new format.

Unlike the Flexible Spending Account and the Premium Conversion Fees, the HSA administrative fees (\$2 per month or \$20.00 annual fee) are taken directly from the employees' accounts by the trustee (NBSC) and they do not come through payroll as a separate deduction.

Imputed Income reports

FBMC distributed the Imputed Income reports in the last week of November 2004. The calculated rate table will also be included in the mailing. Please remember that the rate table is a combination of IRS and Harford rates. FBMC uses whichever rate is higher as per the Internal Revenue Code (IRC). Please contact FBMC if you would like to receive a copy of the 2004 rate table.

New Deduction Control Form

Effective January 1, 2005, all payroll contributions sent to FBMC must be accompanied by the new Deduction Control Form. You may obtain this form by calling FBMC or downloading it from the EIP Web site. The Deduction Control Form can be found on the secure section of the EIP Web site, so you will need to enter your Group I.D. number to access the form. To access the form, choose your category, then click on Restricted Access Area, enter your Group I.D. number and select Forms from the Restricted Access list.

No break in service for TERI participants

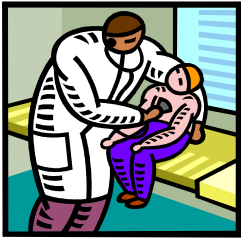
When an employee signs up for the Teacher and Employee Retention Incentive (TERI), a 15-day break in service is not required before the employee can return to work. A TERI participant can return to work the next day. Even though the employee is considered retired and his monthly retirement checks are deposited into an account, the employee remains under the active group coverage.

When the TERI participant leaves employment during, or at the end of, his TERI period, he will be considered a retiree for insurance purposes and will be enrolled under the retiree group, if applicable. He will complete a Retiree Notice of Election form and the Employment Record form, indicating his total service credit, including TERI service.

If you plan to rehire a TERI participant at the end of his TERI period, no 60-day break in service is required. The employee can continue under the active group coverage as before, provided the position is a full-time, permanent position, and provided no more than a 15-day break has occurred.

Gastric bypass surgery not covered®

Recently, some third-party information suggested incorrectly that gastric bypass surgery would be covered by one of the health insurance plans offered by the Employee Insurance Program. As a reminder, the State Health Plan will not cover gastric bypass surgery next year. This type of surgery is not covered by CIGNA HMO or Companion HMO, either.



Easy steps to prevent the flu¹

It's flu season again, and the best way to prevent the flu is by getting a flu shot. However, if you have been unable to do so there are several things you can do to **decrease your chance of getting the flu**.

- **Avoid close contact.**
Stay away from people who are sick.
- **Stay home when you are sick.**
If possible, stay home from work, school, and other public places when you are sick. You will help prevent others from catching your illness.
- **Cover your mouth and nose.**
Cover your mouth and nose with a tissue when coughing or sneezing. It may prevent those around you from getting sick.
- **Clean your hands.** Germs can live

for two hours or more on surfaces such as doorknobs, desks, telephones and tables. Washing your hands often will help protect you from germs.

- **Avoid touching your eyes, nose or mouth.** Germs are often spread when a person touches something that is contaminated with germs and then touches his or her eyes, nose or mouth.
- **Get plenty of sleep, be physically active, manage your stress, drink plenty of fluids and eat nutritious food.** Practicing healthy habits will help you stay healthy during flu season and all year long.

Some people are more at risk for this virus than others. If you are in any of these groups you should consider contacting a local flu clinic to receive a flu shot.

- Children ages 6–23 months;
- Adults age 65 and older;
- Persons age 2–64 with underlying chronic medical conditions;
- Women who will be pregnant during the flu season;
- Residents of nursing homes and long-term care facilities;
- Children ages 6 months–18 years, who are on chronic aspirin therapy;
- Healthcare workers who come into direct contact with patients; and
- Daycare workers and those who come into contact with children younger than 6 months.

The Center for Disease Control asks that people who are not included in one of these priority groups forego or defer vaccination because of the vaccine shortage.

APS Healthcare Web site Update¹

APS Healthcare, Inc., administrator for the State Health Plan mental health and substance abuse benefits, is making a few changes to its Web site to better serve you. Among the changes is dedicating a portion of the site to State Health Plan subscribers.

Find an APS provider

To access the network of participating providers online, go to www.apshealthcare.com. Once you are on APS' Web site, click on "Employer Clients" in the top menu bar. Select "South Carolina" from the drop down list. Then, select "Connect to the Online Provider Locator." You will need to enter SHP's access code, which is "statesc" (all lower case).

You will then be able to:

- Search the directory by entering a provider's name or by entering a geographic area
- Nominate providers for the APS network

To view the entire network directory, go back to the main South Carolina page. Choose "Access the Printable Directories," then enter "statesc".

APS Helplink™

APS Helplink™ provides life-management tools to help with behavioral health problems, financial and legal

issues, child and eldercare concerns and work/life issues. There are two ways to access APS Helplink™.

- Follow the instructions above to go to the main South Carolina page, and then scroll down the page and follow the instructions for connecting to APS Helplink™.
- Go directly to www.apshelplink.com and follow the instructions below.

For First-Time Visitors to APS Helplink™:

- Go to the **First Time Visitor's** box and click on **Sign Up**.
- Read the disclaimer. If you agree to the terms, click the **I Agree** button at the bottom.
- Enter "**statesc**" in the Company Code field.
- Enter a fictitious username.
- Enter a password.
- Re-enter the same password in the Re-enter Password field.
- Enter a reminder phrase to help you remember your password.
- Write your username, your password, and the company code **statesc** down and keep it in a safe place for future reference.
- Click the **Submit** button.

For Returning Visitors:

- Go to the **Returning Visitor's** box.
- Enter **statesc** in the Company Code field.
- Enter your username.
- Enter your password.
- Click the **Submit** button.

A reminder about BLTD, SSA and Medicare taxes

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When you receive this report and billing in January, please:

- Review your statement for accuracy
- Make sure all employees listed on the statement actually worked for your group

If the information is correct, payment is due within 10 days of receipt of the report and billing.

If the information is not correct, or if you have questions, please contact **Claudia J. Corbin, Standard Insurance Company, at (503) 321-6206**.

If you have questions about disability claim payments, call Standard Insurance Company's State of South Carolina Benefits Team at 800-628-9695.

Pneumonia shot: Worried about getting pneumonia?①

If you are in one of the high-risk groups that should receive a flu shot this season, then you may also want to consider getting a pneumonia shot. Pneumonia is an inflammation of the lungs most often caused by a bacterial or viral infection. Pneumonia can make it hard to breathe and to get enough oxygen into the bloodstream. The pneumonia shot can also protect you from getting a serious infection in your blood or brain that can cause other dangerous health problems. Normally, you only need to get the shot once; however, some people may have to get a booster shot every five years. It is available year round, so check with your doctor.

The high-risk groups include:

- People age 65 or older
- People who have problems with their lungs, heart, liver or kidneys
- People with health problems such as diabetes, sickle cell disease, alcoholism or HIV/AIDS.

For more information about the pneumonia shot, visit www.cdc.gov/nip/vaccine/pneumo/pneumo-pubs.htm.

Take note:

Dr. Harvey N. Brown of Darlington will be leaving the State Health Plan Network of providers, effective February 1, 2005.



Insight

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